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devotees of the sports that high and minute scholarship is not diminished by the time, excitement and extreme energy turned away from them. When we are also challenged by the assertion that an exalted and characteristically spiritual Christian life does not suffer either, it is quite too much. The first followers of our Lord could not combine spirituality with heathen games; shall we succeed any better with our "barbarics"? But all this shows how deep and powerful is the hold brutalism still has upon human nature. The corruption of primitive Christianity by union with Greek speculation did not more clearly show the grip of "philosophy and vain deceit" and how "profane babblings and oppositions of the knowledge falsely so called" had the ear of the thoughtful in those ages.

Then take the public barbarities of war. It is even argued that they are so much greater than before our day, and death in battle so much more sure and terrible, that international conflicts are, or are going to be, discouraged and forestalled! Who sees any real signs of this? When have reports of casualties indescribable, awful wounds, and deaths of horror on the field and in military hospitals produced any such effect upon the men who decide that nations shall go to war! But even if it were so, the increasing military facilities for mangling and murdering our fellow creatures would be the same fearful proofs of modern brutality. Statesmen and the heads of war departments in Christian nations know all about these; do they prevent, do they even seek to avoid, international strife on their account! Newly invented arms and other means of slaughter obtained by one government are indeed relied upon by their possessors to discourage other powers from risking conflict with them; and the former use all means to prevent the latter from obtaining equally effectual instruments of destruction. But what nation in mercy hesitates to go to war with a less powerful one because this has them not? Are the warriors of today any less savage and murderous than those of long ago, in detail? It certainly could not be proved by the late Armenian outrages in Turkey, or by the incidents of the war between Japan and China! Or, to go a little farther back, would any student of history undertake to prove the growing humaneness of *American* armies and commanders by a comparison of the quality of suffering—quantity not to be taken into account—in our Rebellion and that in our Revolutionary War? Is there even any lack of estimating our soldiery—regulars or volunteers—by their desperate "fighting qualities"? Is it not the belligerent who is the most reckless of the amount or kind of butchery,—be it man or nation—that receives the highest and widest applause? Are not leading nations yet ranked among their fellows by their power and facility for bloodshed? the basest distinction any people can have.

Grinnell, Iowa, Dec. 29, 1894.

THE ECONOMIC WASTES OF WAR.

BY HENRY SALANT.

First Prize.

I purpose to tell in this essay of the manifold ways in which war retards the economic progress of a nation.

Ever since the invention of gunpowder, and the introduction of the modern weapons of warfare the destructive effects of war upon wealth, industry and commerce, have far transcended those of the catastrophes of famine and flood.

Since then, the civilized nations of the world have been demoralized by large standing armies. These armies are composed of carefully selected men, who do nothing but train for war. In this way men endowed with physical health and strength, men capable of becoming producers to a very high degree are rendered absolutely useless; and a very large portion of the produce of the land and labor is employed in maintaining these vast armies of non-producers.

Besides the money expended for the support of the vast armies, larger amounts are laid out in the purchase of arms and ammunition. Nor does this form an insignificant portion of the aggregate war expenditure of a nation. The arms of the present day are manufactured with a view to perfect precision. Not only has the science of attack in war but also that of defence made great progress and become more complex.

The enormous cost of maintaining the machinery of defence is the great notable characteristic of modern society. But, had not the maintenance of these armies and navies, and the purchase of "dead" stock—men of war, fire-arms, ammunition, etc.—given this particular direction to so great an amount of capital, it would have naturally been used in maintaining producers, whose labor would have replaced, with gain, the whole cost of their support. The annual produce of the land and labor of the country would have been increased, and every year's increment would have helped to augment that of the following year. It has been calculated that the cost of war in Europe from 1853 to 1866 was 1,913,000,000 pounds and the annual charges incurred by the armed forces amounted to 150,000,000 pounds. It needs but an exercise of the imagination to realize the amount of productive capital that would have been brought into use, if these vast armies of vigorous and able-bodied men had been put to work upon raw material purchased by these millions upon millions of pounds. More houses would have been built, more lands would have been improved, more manufactures would have been introduced and extended. In fact, it would require careful thought to contemplate the height to which the prosperity of Europe might have been raised. To defray the enormous expense of maintaining the land and naval forces, the governments of the different countries over-burden their people with taxation.

It thus happens, that in countries where resources are abundant, and where the people are highly intelligent, industry and commerce are paralyzed and the economic progress, instead of being constantly accelerated, is greatly retarded. Such was the case of France during the reign of Louis XIV. when the evils of the destructive agent reached their culmination. Peace was of short duration, and most of the time so precarious that disarmament was impossible. The taxes imposed upon the people in order to defray the enormous cost of carrying on the long and disastrous wars, weighed so heavily upon the agricultural and industrial classes, that despite the efforts of Colbert to remedy the numerous evils, France was almost barren for a generation. The peasants, wasted with hunger, were unable to till the soil; their cattle and implements were seized for taxes. Normandy, formerly so prosperous, was reduced to the utmost distress.

Nor do the evil effects of war operate less on sea than on land; especially is this the case with maritime nations, America, England, France, etc. The different war measures adopted by belligerents to disturb the maritime commerce of the enemy are embargoes, blockades, counter-blockades and the granting of letters of marque and reprisal. The prevailing notion in time of war is that trade with the enemy must be suspended; on account of this suspension of trade, production is restricted, and the producers are obliged to send their wares to some market where the embargo is not in force.

The disastrous effects of an embargo were shown in our own country before the war of 1812. Considering the comparatively sparse population, the monetary loss caused by that embargo was appalling. According to Prof. McMaster there were upward of 30,000 seamen thrown out of employment. Sailors' wages were then Thirty Dollars per month; they earned at least three hundred per year; and as the embargo was in force fifteen months, the total loss sustained by the sailors amounted to twenty millions. The value of the shipping embargoed was then estimated at fifty millions, and as the net earnings were twenty-five per cent, twelve and a half millions were lost to the country on account of the enforced idleness of the vessels. Another estimate then made showed that 100,000 men were thrown out of work for one year; they earned on the average one dollar per day; the loss to the laboring classes was therefore about thirty-six millions of dollars. Thirty millions had been yearly invested in the purchase of foreign and domestic produce; as this now found no channel for investment its owners sustained a loss not only of their profit, but of two millions interest besides.

In the Napoleonic Wars, England seeing that she could not beat the French on land determined to deal a death blow to the French commerce. She declared the coast of France and her allies from Dantzic to Trieste in a state of blockade. In retaliation, Napoleon issued his famous

Berlin decree on the 21st of November, 1806, which placed the British Islands in a state of blockade. All intercourse with them was prohibited, and all British goods found in the territory of France and her allies, were declared liable to confiscation. Though the blockade was not carried out to its full extent, and though the rise of a widespread contraband trade prevented the system from having its intended effect, it nevertheless proved greatly vexatious to Europe and England; especially did it tell heavily on British industry, by raising the price of its products and by restricting the market for them. Incomparably greater was its evil effects on British commerce. Trade at once began to move from English vessels, which were liable to instant confiscation, to shelter itself under neutral flags. America profited by this transfer. She was now entering on a glorious commercial career, by rapidly taking advantage of the Berlin decree to extend her carrying trade. But after enjoying the monopoly of it for nearly fifty years, she lost the trade, through the same causes by which she had gained it. Owing to the blockading of the United States coast during the late war, and the granting of letters of marque and reprisal by the Confederate Government, trade began to move from American vessels, to take shelter under neutral flags; the carrying-trade of the world was thus forced out of American control, after having been in our hands for nearly half a century.

The accompanying evils of war are no less injurious to trade and commerce than its direct evils. Owing to the excessive drain on the treasury, and the gradual increase of government debts in time of war, the finances of the belligerent are almost always in a desperate condition. The government, finding itself unable to meet the demand of its creditors, is compelled to make a forced loan from the people. This is done by issuing paper money; and as there is not enough specie to cover the full amount of paper in circulation, the currency gradually depreciates with every increase of paper, and becomes debased money. An essential property of money is that it should retain its value from the time it is received, to the time it is paid out; but this quality is entirely lacking in the case of depreciated money, because *such* money constantly falls in value; and for every fall in the value of money there is a corresponding rise in the price of commodities. Thus, a person that receives a certain amount of money in depreciated currency, by selling sixty barrels of wheat, will, after a certain lapse of time, be able to buy but forty or perhaps only thirty, depending upon the ratio of depreciation.

A debased currency not only gives cause to an undue amount of speculation but also vitiates the pecuniary transaction between man and man. Nor can this evil be in any way mitigated; the courts cannot rectify this wrong because the depreciation introduces a fraud into the pecuniary relation itself; and the agent of the fraud, so far

as his intention is concerned, is almost always innocent. If therefore the court should undertake to free the victim of the fraud from its effects, the injury would be thrown on the perpetrator, who, being innocent, would suffer as much wrong as the victim would have suffered if nothing had been perpetrated. Even when the transaction involves contract relations, it is impossible to stipulate in such a way as to neglect the effect of depreciation. When the attempt is made to do this, the different ways to calculate the ratios of depreciation give rise to many contradictory decisions among the courts and arbitrators. In addition to these, the encouragement that debased money gives to hoarding up coins for anticipated profit, soon leaves nothing but paper in circulation; this produces a check in trade and commerce, and the result is the same as having no currency at all, for the real money is withheld; the channels of circulation are thus obstructed and a general business crisis is the inevitable result. The disastrous effects of war on the currency of a country were shown not only in our country during the late Civil War, but also in Russia during the Crimean, and in France during the Franco-German War. In fact, the history of Europe and our own country abounds with examples of the sufferings of the people from the scourge of a depreciated paper currency; and the issue of such currency is seldom caused by anything else than the profuse expenditure incurred by war.

Owing to the social palsy produced by war, the exportation of the billigerent constantly diminishes, while its importation is increased by the demand for arms, ammunition, etc.; the result is an adverse balance of trade, in consequence of which, there is a proportionate efflux of specie. This immediately causes a rise of the rate of interest on loanable capital, and the foreign trader always seeking to borrow where money is cheapest, resorts to a place where there is a low rate of interest; and the financial business with foreign traders is thus driven out from the commercial centres of the country at war. It is for this reason that the European Continental trade, which, according to Prof. Jevons, was in great part carried on in Paris, Berlin, Vienna and Hamburg has been, on account of the Prusso-Austrian and Franco-Prussian War, entirely transferred to London.

Furthermore, the anxiety felt by the creditor and the general distrust felt by the trading classes hinder business transactions, and very often cause a panic in the money market. Thus, in the early part of the Civil War, though the balance of trade was favorable to this country, yet a disastrous panic occurred on the exchange in New York, because the American creditor, finding himself in the midst of a dangerous political crisis, suddenly became eager to receive all that was due to him, and became anxious to forestall the payment of the debt due to him from the foreign debtor. He drew his bills and forced them on the market; but as the sellers out-numbered the

buyers, the competition of the former to undersell each other was so keen, that a general panic ensued.

It sometimes happens, as it did in France and Russia, during the late wars, that all the regular financial organizations for bringing the resources of the country into use for the accomplishment of all public purposes, are wanting. The government then authorizes the commanders of the army to resort to impressment. Prof. Sumner states that from the ancient empires down to modern Russia, the impressment for transportation has been one of the most oppressive burdens and most vexatious abuses under which people have suffered. How annoying this method is, was shown in our own country during the Revolution, when committees were appointed to impress any articles of economic use for the soldiers, and teams and wagons for transporting cannon and provisions.

In fine, the wanton destruction and depredations committed by a ravaging soldiery, the fields laid waste in marching, and the consequent loss of crop to the farmer, help to swell the immense waste of economy in time of war. The loss of crops caused by the trampling of 200,000 men on the fields of Gettysburg, was perhaps not made good until a decade after.

It is only by enlightening the people and their legislators on this subject so as to enable them to realize the enormous wastes of war and the consequent retardation of economic progress, that the settlement of all international disputes will be submitted to an impartial tribunal. And then, in the words of the prophet Isaiah, "They shall beat their swords into plowshares, and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war any more."

University of the City of New York.

THE ECONOMIC WASTE OF WAR.

BY B. F. ARNOLD.

Second Prize.

The ultimate end of life is unity. It follows then that the processes of life must lead to the harmonizing of all relations of life. Consequently whatever the immediate result may be, if it is found that war tends to oppose and derange and destroy those relations of human life that are necessary to the normal development of society, it may then be shown that the chief economic waste of war may not be seen only in the destruction and misuse of life, property and wealth, but as great or a greater loss of energy may result from its effects upon the moral character of society.

Hence there are two general divisions in the discussion of this subject: First, the direct economic waste of war, caused by the destruction and misuse of life and property. Second, the indirect waste, resulting from the loss and misuse of energy caused by the effect of war upon the moral life. But since active war is now considered an abnormal state of society, greater clearness will be gained